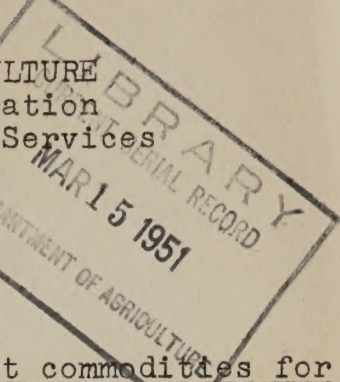


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UNITED STATES DEPARTMENT OF AGRICULTURE
Production and Marketing Administration
Midwest Area, Office of Information Services
623 South Wabash Avenue
Chicago 5, Illinois
January 4, 1951



FOOD MARKETING NEWSLETTER

CCC's January list of offerings of price support commodities for sale for export, or domestic use, is considerably smaller than in previous months. Products were taken from the sales lists either because stocks had been depleted or to conserve remaining supplies in view of the uncertain international situation.

Taken from the domestic sales list were cheese, flaxseed, dry lima beans, dry peas, and grain sorghums. (Butter was removed in mid-December) Products remaining include dried eggs, dried milk, linseed oil, certain types of dry beans, grass seed, wheat, oats, barley, corn, potato starch, and gum rosin.

The export list for January includes dried eggs, dried milk, linseed oil, dry beans, Austrian winter pea seed, wheat, potato starch, and Irish potatoes. Removed were flaxseed, dry peas, oats, barley, corn, grain sorghums and gum rosin.

Sales for export in 1950, through December 21, totaled \$100,215,050. Domestic sales in the same period were \$157,829,553.

U.S. egg producers are now on their own! The final day for purchase of dried eggs for price support, December 27, went by with no offers, with cancellations of previous offers amounting to 218,916 pounds. Total dried egg purchases for price support in 1950 were 82,424,322 pounds. Export sales in the 12 months were 6,615,716 pounds. Distribution to institutions, welfare, the school lunch program, and sales to foreign governments reduced the stocks remaining from 1949 and 1950 purchases to slightly more than 91 million pounds, as of January 1, 1951.

Sugar quotas for 1951--8 million short tons, raw value--have been allocated to supplier areas as follows: U.S. beet sugar producers, 1,800,000 tons; U.S. cane, 500,000; Hawaii, 1,052,000; Puerto Rico, 910,000; the Philippines, 982,000; Cuba, 2,712,600; other countries, 37,400 tons. Because of an expected deficit in Philippine export stocks, 200,000 tons have been pro-rated to other supplies, with Cuba receiving 190,000 tons to bring its adjusted quota to 2,902,600 tons. The balance was allotted to Peru, Mexico, the Dominican Republic, and Haiti--among the smaller suppliers.

Coffee available for export from Brazil's 1951-52 crop (harvested from May to December 1951 and marketed from July 1951 to June 1952), is tentatively forecast at about 16.1 million bags. This compares with the revised exportable production estimates of 14.1 million bags from the 1950-51 crop, 15 million from the 1949-50 crop, and 15.7 million from the 1948-49 crop. The annual pre-war average exportable production was 21.7 million bags, of which European nations took a much larger quantity than in the post-war period.

Food continues plentiful in the U.S. despite shortages in many other countries. The February "Plentiful" foods announced by PMA, January 2, include citrus fruits, apples, potatoes, eggs, broilers and fryers, turkeys, peanut butter, frozen fish fillets and shrimp, cottage cheese, onions, sauer kraut, and honey.

Meat production under Federal inspection in the week ended December 30 totaled 321 million pounds--16 percent below the preceding week but 17 percent above the same holiday week of 1949. Cattle slaughter was 12 percent above the 1949 week, and hog slaughter 11 percent.

Sales of U.S. wheat and flour (in wheat equivalent) under the International Wheat Agreement, confirmed by CCC in the week ended December 26, totaled 6,472,000 bushels. Principal buyers were Mexico, Belgium, Italy, U.K., and Egypt. Cumulative sales against 1950-51 quotas were 109,956,000 bushels. This compares with cumulative sales at this time last year of about 30,507,000 bushels against 1949-50 quotas.

Generally higher prices for most farm commodities raised the index of prices received by farmers 10 points from mid-November to mid-December, to 286 percent of the 1909-14 average. The index is still 20 points below the record high of January 1948. The parity index (prices paid by farmers including interest, taxes, and farm wage rates) rose 2 points in the same period to 265--an all-time high.

Higher prices for eggs were the most noteworthy--up 12.1 cents a dozen--but other sizeable increases occurred for wheat, corn, soybeans, flaxseed, cottonseed, and wool. Prices received for cotton, grapefruit, hogs and chickens went down in the month.

In 1949 U.S. farm income from sales, plus the value of eggs and poultry consumed on farms where produced, amounted to \$3.5 billion--11 percent of the total U.S. farm income in the year. About one-seventh of this total was consumed at home. Only two other commodity groups--meat animal and dairy products--made a larger contribution to the total U.S. farm income, BAE reports.

Income from poultry and eggs represented the following percentages of total farm income in Midwest states: Minnesota, 14%; Ohio, Michigan, Indiana, and Missouri, 13%; Wisconsin, 12%; Iowa, 10%; Illinois, South Dakota, Nebraska and Kansas, 8%; North Dakota, 5%.

Industrial alcohol can be produced from grain by a new mold process at a big saving over the traditional malt process, USDA reports, on the basis of experiments conducted by PMA's Grain Branch and the Bureau of Agricultural and Industrial Chemistry. A plant using 12,000 bushels of grain could save more than \$1,000 in each day's operations by shifting to the new process which uses a mold product called "Fungal Amylase" in place of malt. A general description of the process and equipment used is contained in Technical Bulletin No. 1024, available upon request from the Information Branch, PMA, USDA, Washington 25, D.C.

Secretary of Agriculture Brannan, on January 1, extended the time under which poultry processors may change plant facilities to comply with requirements of USDA's new voluntary dressed poultry (New York dressed) grading and inspection program. Under previous programs, no sanitary requirements have applied to "New York dressed" poultry. The new program removes the exemption of "dressed poultry" from provisions of regulations concerning its preparation in official plants. Poultry prepared in ready-to-cook form under the Federal poultry inspection program has always been subject to sanitary requirements during eviscerating and packaging operations.

The Commodity Credit Corporation had \$2,924,084,000--about 43.5% of its statutory borrowing authority--invested in price support program loans and inventories as of November 30, 1950. Ralph S. Trigg, President, reported January 2. The Corporation sustained a net realized loss of \$100,281,000 in carrying out the program during the current fiscal year July 1 through November. Of the total investment loans outstanding amounted to \$928,772,000 while inventories acquired under loan and purchase agreement and direct purchase operations represented an investment of \$1,995,312,000. Largest items in the CCC inventory November 30 were: wheat, 285 million bu.; corn, 379 million bu.; linseed oil, 514 million lbs.; dried eggs, 106 million lbs.; rosin, 192 million lbs.;

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FOOD MARKETING NEWSLETTER

To insure maximum production of farm products to meet possible requirements of the current emergency, Secretary of Agriculture Charles F. Brannan announced January 5 that there will be no acreage allotments on the 1951 crops of corn and wheat. "Ample supplies of both corn and wheat are an essential safeguard in the national defense program. We cannot risk the possibility of running short of corn in 1951-52 and succeeding years. ...Even though the supply of wheat is substantially greater than domestic requirements and probable exports during the remainder of the 1950-51 marketing year, it is advisable to terminate acreage allotments at this time to afford producers an opportunity to increase their acreage of spring wheat", the Secretary stated.

The action is in line with previous decisions taken by the Department to assure an abundance of farm products in the period ahead. It will be the USDA policy to dispense with acreage allotments for any commodity if it appears that such action will result in larger increases in production of a commodity for which maximum output is desired, the Secretary stated.

The total supply of corn (crop plus carryover) is now estimated at approximately 3,990 million bushels for 1950-51, a near record supply. However, the probable disappearance for all purposes, due to heavy feeding operations and increased industrial needs, may be as much as 3,500 million bushels, which would leave the carryover the smallest since 1948.

The wheat carryover June 30, 1951, the end of the marketing season, is not expected to exceed 430 million bushels--about the same as July 1, 1950.

* * *

U.S. supplies of milled rice for 1950-51 total 26 million 100-pound bags (including heads, second heads and screenings, but excluding brewers' rice). These stocks are second only to the 26.73 million bags in 1949. Stocks at the beginning of the marketing year (August and October) equalled 1.35 million bags. U.S. civilians are expected to consume about 7.45 million bags this year at a per capita rate of 5.0 pounds. With these near-record supplies, a large reserve is available for military and ECA needs as well as regular exports.

USDA has established a rice acreage allotment for the 1951 crop of 1,867,998 acres--15 percent above the 1950 acreage--in line with the Department's policy of abundance in the current emergency.

* * *

USDA announced January 5 completion of arrangements to sell 15 million pounds of CCC-owned nonfat dry milk solids to the U.N. International Children's Emergency Fund for use in school lunch and child feeding programs in foreign countries. The dry milk will be taken from surplus supplies acquired under the 1949-50 price support program for manufacturing milk. None of the milk will be sold in commercial trade channels in foreign countries. Current CCC-owned stocks are about 140 million pounds which are not committed.

* * *

Sales under the International Wheat Agreement in the period December 27, 1950 to January 2, 1951, inclusive, confirmed by CCC, amounted to 5,647,000 bushels (including flour in wheat equivalent). Principal buyers were Belgium, India, Israel, U.K. and Egypt. Cumulative sales against 1950-51 quotas are 115,601,000 bushels--about one-half of total U.S. quotas for the marketing year.

* * *

Meat production under federal inspection in the week ended January 6 totaled 336 million pounds--up 5 percent from the holiday week and 6 percent above the same week a year earlier. Slaughter of all species was up. The output included: Beef, 133 million pounds; veal, 9.4 million; pork, 184 million; lamb and mutton, 9.4 million pounds. Lard production in the week is estimated at 50.1 million pounds.

* * *

World sugar production in 1950-51 is forecast at 35.4 million short tons, raw value--about 10 percent greater than last year. The expected world output would be 22 percent above the prewar (1935-39) average of 29.1 million tons. The total does not include production of non-centrifugal sugar--about 5.7 million tons, which is almost entirely consumed in the areas of production. Of the total, about 13.5 million tons will be beet sugar.

The increased world output this year points to continuing abundant supplies for U.S. consumers. Distribution for consumption by primary distributors in the U.S. in 1950 amounted to 8,222,231 tons--an increase of 642,000 tons over 1949. Much of this increase is represented in acquisition by distributors and consumers shortly after the start of the Korean war. Approximately 500,000 tons of the total U.S. quotas for 1950 were not used.

The 1951 U.S. quota has been established by USDA at 8 million tons. This will insure supplies adequate for a consumption of 96 to 100 pounds per capita, about the same rate as in 1950.

Fred Dunn, Detroit, Michigan potato dealer, was fined a total of \$2,000 in Federal District Court at Detroit January 5, following a plea of guilty to 5 counts of an information charging violations of the provisions of Potato Marketing Order No.60. Dunn was specifically charged with shipping potatoes in the period January 7-12, 1950 without procuring Federal-State inspection for the shipments. Marketing Order No.60 limits the shipment of potatoes grown in Michigan, Wisconsin, Minnesota and North Dakota to the better grades, and requires Federal-State inspection for each shipment.

U.S. production of cottonseed from the 1950 crop is estimated at 4,005,000 tons--equal to about 31 percent of total world output of 12.8 million tons, according to the Office of Foreign Agricultural Relations. In 1949 U.S. production amounted to 46 percent of the world output.

U.S. production of dry casein January-November, 1950 totaled 18,130,000 pounds--about 5 percent more than in the same 1949 period. Stocks held by manufacturers November 30 were estimated at 2,050,000 pounds--highest since 1946. Selling prices continued to rise during December, and averaged 41 - 41-1/2 cents for standard quality in carlots f.o.b. plants New York area --the highest of record.

Final estimate of the 1950 U.S. Irish potato crop was 439,500,000 bushels. About 11.5 percent of the crop were certified for seed potatoes. USDA had acquired nearly 39,100,000 bushels under price support operations through January 2 and price support purchases continue heavy. About 60 percent of the crop, including all areas in which marketing orders are effective, is eligible for price support. There will be no potato price support in 1951 under current legislation.

With all possible cancellations accounted for, the total purchases of dried whole eggs under the 1950 price support program amounted to 82,424,344 pounds--equivalent to about 8,240,000 cases of shell eggss. The dried egg price support program was terminated December 31.

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Production and Marketing Administration
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January 17, 1951

FOOD MARKETING NEWSLETTER

USDA is offering the last of its once huge butter stocks--4,900,000 pounds--for sale on the basis of competitive bids. The quantity represents most of the remaining stocks not yet committed on programs or offers previously in effect.

USDA bought about 242 million pounds of butter under the butterfat and manufacturing milk support program which began in February 1949. Of this amount, about 123 million pounds were sold in the domestic market, 5.5 million for export, 51 million distributed to school lunch and domestic donations programs, and 37 1/2 million pounds donated for foreign relief. Of the remaining 25 million pounds, 20 million have previously been committed for sale or for other disposition and the balance is now for sale.

* * *

Exports of cotton from the U.S. in November were 387,000 bales (500 lbs.), to bring August through November 1950 exports to 1,452,000 bales. This is 13 percent above the 1,284,000 bales exported in the same 1949 period. However, as a result of export restrictions, the total for the 1950-51 season is expected to be well below 6,003,000 bales exported in 1949-50.

CCC stocks of loan and pool cotton on January 4, 1951 had dwindled to 106,000 bales from about 6 million bales on January 1, 1950. The stocks included: 13,000 bales from the 1948 crop, 87,000 of the 1949 crop pool, and 6,300 of 1950 loan cotton.

* * *

Effective 12:01 a.m. January 15, USDA has removed the following fats and oils from import controls: crude, refined and denatured cottonseed oil, soybean oil and sunflower seed oil, lard compounds and lard substitutes, combinations and mixtures of animal and vegetable oils, soybean and sunflower seed. The commodities remaining under import controls are butter and butter oil, peanuts, peanut oil, and peanut butter, flaxseed, flaxseed strings, linseed oil, rice, and rice products.

* * *

There were 6 percent less sheep and lambs on feed for market in the U.S. on January 1 this year than last year, BAE reports. The number on feed is estimated at 3,440,000--204,000 less than last year and, the smallest number on feed since 1920. Nebraska, leading lamb feeding state this year, shows a sharp increase in feeding due to a late season shift of lambs from Kansas wheat pastures. However, feeding in nearly all other important states is below a year ago.

* * *

Sales under the International Wheat Agreement in the period January 3-9, 1951 inclusive, confirmed by CCC, were 11,651,000 bushels of wheat (including flour in wheat equivalent). Principal buyers were U.K., Belgium, Austria, Peru, Egypt, and India. Cumulative sales to January 9 against 1950-51 quotas are 127,253,000 bushels. The week's sales established a new record for any one week since the beginning of the International Wheat Agreement Program. Iceland was added to the importing countries January 5 when the little Island deposited its instrument of acceptance with the State Department. U.S. still has a balance of 104,486,000 bushels to export under its 1950-51 quota.

* * *

Farm land prices rose throughout the country an average of 4 percent during the four months ending November 1. The increase brought the index to 179 (1912-14 = 100), 7 percent above a year earlier and 1 percent above the previous peak of November 1948. Midwest states reported the following increases in the four-month period: Illinois, 8 percent; Indiana and Nebraska, 7 percent; Iowa, Minnesota, and Missouri, 5 percent; Ohio, Wisconsin, Kansas and North and South Dakota, 4 percent; and Michigan, 2 percent.

* * *

The CCC made export purchase contracts during the week January 8-12, 1951 for 4,331,000 pounds of crude soybean oil. Cumulative purchase contracts October 1, 1950 through January 12 total 13,054,000 pounds of crude and 1,904,000 pounds of refined soybean oil. The contracts announced today are for shipment to Formosa under ECA procurement authorizations.

* * *

Cold Storage Holdings Dec. 31 and Net Changes during Dec. 1950					
Cooler			Freezer		
Commodities	Holdings Dec. 31	Net Change During Dec.	Commodities	Holdings Dec. 31	Net Change During Dec.
	"000" lbs.	Pct.		"000" lbs.	Pct.
Apples.....	1,610,928	-16	Fruits.....	446,377	-7
Pears.....	79,600	-28	Vegetables.....	425,279	-6
Dried & ev. fts..	32,620	18	Cream.....	6,378	-34
Can'd. ft. & veg..	7,764	67	Cream'y butter..	105,364	-34
Nuts & nutmeats..	66,495	48	Eggs.....	48,655	-36
Fish (est.).....	---	---	Poultry.....	281,601	4
Cheese.....	214,176	-18	Beef.....	133,945	31
Shell eggs.....	1,170	-57	Pork.....	318,079	124
Dried eggs.....	95,994	-3	Sausage.....	5,179	30
Beef.....	11,471	6	Lamb & mutton..	10,798	15
Pork.....	199,963	9	Veal.....	13,725	24
Sausage.....	8,156	-3	Edible offal....	59,988	25
Canned meats.....	29,570	19	Fish (est.).....	---	---
Lard & pork fat..	70,862	23	Other.....	211,966	11
Other.....	468,483	-14			
Total.....	2,897,252	-12	Total.....	2,067,334	6

Coolers were 67% occupied, and freezers 81% on Dec. 31. Total stocks in storage, 5 billion lbs.- down 300 million from Nov. 30, due largely to out-movement of apples. Shell eggs in store, 26,000 cases - lowest of any Dec. 31 of record. Meats, all classes, totaled 791 million lbs., including beef, 145 million; pork, 518 million lbs..

An estimated 6,742,000 persons were employed on U.S. farms at the end of 1950. Of these, the hired laborers numbered 885,000--the balance family labor. The number of persons who work on farms is normally at its seasonal low at this time.

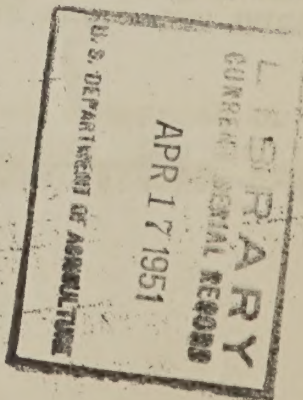
Farm wage rates at the beginning of this year were 7 percent higher than a year earlier, BAE reports, moving up with the general upward trend in prices. Rates per month with room and board averaged \$105; per week, board and room, \$24.25, and without board and room, \$31.75. This compares with \$96, \$22.25, and \$29.25 respectively for the same brackets on January 1, 1950.

Georgia peach growers voted, 94 percent by the number of producers voting and 93 percent by volume of production of producers balloting, in favor of continuation of the amended marketing agreement and order which regulates the interstate shipment of peaches grown in the state. The referendum was conducted January 9 to 16, inclusive. Provisions of the marketing agreement and order originally became effective January 27, 1942, and require a biennial referendum.

Current supplies of 30 kinds of grass and legume seeds total nearly 1.5 billion pounds-- largest on record and enough to plant about 77 million acres. The stocks are more than half again as large as a year ago. Supplies of 23 kinds are larger than last year and 19 are above average. The record supplies resulted from large 1950 crops from 7.8 million acres, the largest acreage ever harvested.

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January 24, 1951

FOOD MARKETING NEWSLETTER

U.S. farmers received an average of 36.8 cents per dozen for eggs they marketed in 1950. This is approximately 37 cents, the national average price which was announced as the objective of the 1950 egg price support program. In achieving this average, the Department found it necessary to purchase 82 million pounds of dried eggs--equivalent of 8.2 million cases of shell eggs. These eggs were acquired in the Midwestern area at prices which returned producers about 25 cents a dozen.

CCC purchased a total of 179,673,344 pounds of dried eggs to carry out the 1948, 1949, and 1950 price support programs. On January 12, the Agency held 69,223,786 pounds -- all 1950 acquisitions. The Department estimates that the total cost of the support programs for the three years, including losses anticipated in disposition of the current stocks, will amount to about \$145 million.

Farmers' cash returns from egg marketings in the three years amounted to about \$1.9 billion annually, at prices per dozen averaging near the support level maintained for the three years.

* * *

July-December 1950 exports of U.S. grains and grain products are estimated at approximately 217,637,000 bushels of grain equivalent, compared with 288,708,000 bushels in the like 1949 period. Of total exports in the period, 36 percent went to ECA countries, 27 percent to Germany and U.S. Pacific occupied areas, 26 percent to Canada, India, Brazil and Mexico, and the balance to smaller dollar-paying countries. The total includes sales under the International Wheat Agreement.

* * *

Total cash receipts of U.S. farmers for marketings in 1950 are estimated by BAE at around \$27.9 billion--somewhat below the \$28.1 billion received by farmers for 1949 sales. Cash receipts for December were approximately \$2.6 billion--6 percent above the December 1949 level.

Looking ahead in 1951, BAE expects cash receipts from farm marketings during January to total \$2.3 billion--about 5 percent more than a year ago.

* * *

CCC has completed assignments of the 585,000 tons of 1950 Cuban raw sugar acquired under purchase contract, USDA reports. Of the total, approximately 428,356 tons were assigned to U.S. refiners, and 127,012 to foreign countries. About 25,000 tons were made available to the Cuban government to meet immediate local consumption requirements--the quantity to be replaced from first sugars produced in 1951.

* * *

CCC will consider offers to purchase for export for No.2 shelled peanuts and other kernels now being acquired by the Agency under its peanut price support program. Persons interested should communicate with the Fats and Oils Branch, PMA, Washington 25, D.C., tel. REpublic 4142, extension 3328 or 5941.

* * *

Meat production under federal inspection in the week ended January 20 totaled 395 million pounds--down 1 percent from the week before but 9 percent above the same period in 1950. Included were: Beef, 151 million pounds; veal, 9.6 million; pork, 223 million; lamb and mutton, 11.3 million pounds. Lard output in the week was 60.2 million pounds.

* * *

Sales under the International Wheat Agreement zoomed to 19,017,000 bushels (including flour in wheat equivalent), in the week ended January 16, highest since the Agreement was started. Sales under the Agreement since January 1, 1951 exceed 30 million bushels--nearly as much as the total under the first 5 months of the 1949-50 program. Principal buyers last week were Germany, U.K., Mexico, Belgium, and Switzerland.

Sales for the 1950-51 season totaled 146,270,000 bushels through January 16, leaving only 85,469,000 bushels to fill quotas for all countries. The U.S. is now the only important world source of grain. Continuation of sales at the recent rate will fill all quotas long before the end of the 1950-51 season, August 1.

* * * *

U.S. stocks of flaxseed for the crop year 1950-51 (beginning July 1) are estimated at 52,199,000 bushels. This includes the 1950-crop of 35,224,000 bushels and carryover. Stocks of linseed oil on July 1 amounted to 579,000,000 pounds--equivalent to an additional 29 million bushels of flaxseed, to bring the total supply to 81 million bushels.

On December 1, CCC reported an inventory of approximately 3.2 million bushels of flaxseed and about 528 million pounds of linseed oil (including quantities yet to be delivered under crushing arrangements). Of U.S. stocks, CCC holdings are equivalent to about one year's domestic requirements even at the current high rate of consumption. The CCC inventory resulted from support price purchases of flaxseed from the 1948 and 1949 crops. The big CCC holdings--considered by many as burdensome a year ago--now are considered a desirable reserve adequate to meet almost any emergency.

Cattle on feed January 1 in the three important feeding states--Illinois, Iowa, and Nebraska--are estimated at 1,913,000 head, 3 percent more than on January 1, 1950, according to BAE. Iowa and Nebraska reported increases, while Illinois had the same number on feed as a year ago. About 33 percent of the cattle on feed in the three states weighed less than 600 pounds, and about 6 percent weighed over 1100 pounds.

Development of a strong and vigorous food and nutrition program in the U.S. is recommended by a Special Food and Nutrition Advisory Committee which met recently with USDA officials in Washington. The committee agreed that USDA assume responsibility for initiating and conducting the program in cooperation with other agencies equipped to participate. The committee includes representatives of leading national production, processing, and food distributive organizations, medical, food research, nutrition, and feeding services.

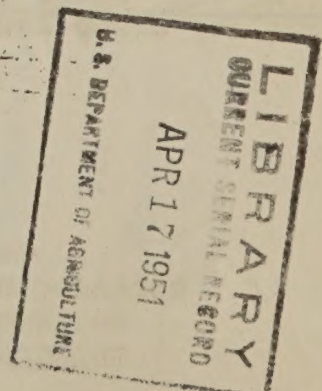
A weekly market news summary on blackstrap molasses will be issued, on an experimental basis, each Wednesday by the Sugar Branch, PMA. The first report was published January 17. It included largely price information on blackstrap at major terminal markets, general market information on supplies, and volume of sales. The report will present pertinent data, whenever available, on feeds, alcohol, and other products of particular interest to those concerned with the production and marketing of molasses in all forms.

A new bagging device for use in prepackaging of apples has been developed by the Washington State Apple Advertising Commission, under contract with USDA, with funds provided under the Research and Marketing Act. A public patent has been applied for. With the device, apples can be prepackaged at the shipping point more quickly and at less cost than by hand packaging methods now used. A report covering trial tests, entitled "Prepacking Apples at Point of Production," as well as photographs of the device for use by editors, may be obtained from the Press Service, USDA, Washington 25, D.C.

Proposed standards for grades of mohair are being considered for adoption by PMA. They are the first standards ever developed for mohair and the Department invites comments from interested persons on the proposed classifications. If interested, contact the Livestock Branch, PMA, Washington, D.C.

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 January 31, 1951

FOOD MARKETING NEWSLETTER

Price freeze announcement of Economic Stabilization Agency on January 26 does not affect farm products in original form as they leave the farm, but it does freeze the amount which the processor or distributor may add to the price as his margin or mark-up. Example: If price paid to farmers for hogs goes up from 20 to 22 cents, meat packer may add 2 cents per pound to the price he charges for dressed pork, and this additional 2 cents presumably, might be passed along to the consumer.

Announcement of ESA says regulations and/or price ceilings for individual agricultural commodities will be announced as soon as practicable. Under Defense Production Act, ceilings must be at least 100 per cent of parity, and on three commodities selling above parity (beef cattle, lambs, and wool) legal minimum would be highest point between last May 24-June 24. Legal minimum for price ceilings on these commodities would be as follows:

Beef Cattle \$23.80 cwt. Lambs \$26.40 cwt. Wool 56.2¢ lb.

Parity prices announced by BAE as of January 15 are lowest legal points at which price ceilings could be put into effect on other farm commodities if and when ESA chooses. Following prices are national averages, at the farm. Adjustments would need to be made for differences in quality, location, etc.

Cotton, per lb.	32.98¢	Flaxseed, per bu.	\$4.54
Wheat, per bu.	\$2.35	Oats, per bu.	.954
Rice, per cwt.	\$5.36	Rye, per bu.	\$1.73
Corn, per bu.	\$1.71	Sorghum grain, per cwt.	\$2.90
Peanuts, per lb.	12.8¢	Soybeans, per bu.	\$2.72
Potatoes, per bu.	\$1.76	Sweetpotatoes, per bu.	\$2.47
Butterfat, per lb.	74.0¢	Grapefruit, per box	\$1.96
Milk, wholesale, per cwt.	\$4.62	Lemons, per box	\$3.16
Mohair, per lb.	70.2¢	Oranges, per box	\$3.58
Honey, wholesale		Apples, per bu.	\$2.77
Comb, per lb.	31.3¢	Chickens, live, per lb.	30.2¢
Extracted, per lb.	17.5¢	Eggs, per doz.	51.5¢
Barley, per bu.	\$1.48	Hogs, per cwt.	\$20.60
Beans, dry edible, per cwt.	\$8.92	Turkeys, live, per lb.	38.6¢
Cottonseed, per ton	\$71.00	Veal calves, per cwt.	\$21.50

* * *

Farmers received increased prices for all principal farm products except eggs, oranges, grapefruit, cottonseed, and turkeys between December 15 and January 15, BAE reports. These increases pushed average of prices received up 5 per cent during month, to third highest figure on record. Average of prices paid by farmers, including wages and taxes, went up 3 per cent. Parity ratio (prices received compared with prices paid) went from 108 to 110; highest ratio since September, 1948, but below record of 122 in October 1946. Higher the figure, the more favorable for farmers.

* * *

Retailer training program for dealers in poultry and eggs begins next Monday, February 5, in Kansas City. Similar school has been in progress for three weeks in St. Louis, and will continue several more weeks. Purpose is to improve merchandising of poultry products, cut waste and loss of quality. Poultry and Egg National Board conducts schools under contract with U. S. Department of Agriculture. To attend St. Louis school, contact Herbert Rolf, Marketing Extension Service, 900 Syndicate Trust Bldg.; in Kansas City, contact Marvin Vines, Marketing Extension Service, Room 1012, Scarritt Building.

* * *

Production and Marketing Administration has just issued report on two new grocery check-out counters, "Redi-check" and "Simplex." With one operator, either counter makes possible checking 44 customers per hour compared with 32 per hour on ordinary counters. One or two additional persons can be added to "Redi-check" to step up rate to 67 per hour. For copies of report, request AIB-31, from Office of Information, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.

* * *

Proposed new standards for official grades of rye and soybeans are being discussed at public hearings held at several Midwest cities during early February.

* * *

Turkey growers raised a record crop in 1950, and report to USDA that they will increase numbers by about 1 per cent in 1951. Expect record level of employment and strong demand and higher prices for red meats; so think they can sell more turkeys. Actual production of birds last year was 5 per cent above January 1 intentions.

* * *

USDA has proposed changes in grades for calves and dressed veal, to correspond to recent changes in grades for cattle and beef. Changes would combine present Prime and Choice in one grade to be called "Prime"; rename "Good" as "Choice"; create new grade from top half of Commercial grade, to be called "Good." For live animals "Medium" would be changed to "Commercial" and "Common" to "Utility." Comments on proposed changes will be received until March 2 by Livestock Branch, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.

* * *

Farmers put nearly 307 million bushels of 1950 grain crop under government price support, either through loans or purchase agreements, up to December 30. This compares with 534 million a year earlier.

* * *

New standards for rice, rough, brown, and milled, are under consideration. Hearings will be held early in March in Louisiana and California. Written views will be accepted until March 20 by Grain Branch, PMA, USDA, in Washington.

* * *

Meat production under Federal inspection during week ended January 27 was 377 million pounds, compared with 395 million week before and 324 million during comparable week last year. Cattle slaughter, 271,000 head, was 1 per cent above preceding week, 9 per cent above year ago. Beef production, 150 million pounds, compared with 151 million preceding week and 133 million a year ago. Hog slaughter 1,448,000 head was 6 per cent below the previous week, but 20 per cent above a year earlier. Sheep and lamb slaughter was 24,000 head compared with 245,000 the previous week and 237,000 a year earlier.

* * *

Increased use of freezer lockers and home freezers has caused little reduction in volume of meat going through normal channels to consumer, USDA reports. This is conclusion of study made in nine Midwestern states, reported in bulletin of Wisconsin Agricultural Experiment Station, at Madison. Nation has 10,464 locker plants, half in North Central states. Most patrons are farmers or others who can buy meat direct from farm. Most meat going into lockers would not have been sold through commercial channels, even though lockers were not available.

* * *

USDA has amended milk marketing order in the Tri-state area of Kentucky, Ohio, and West Virginia, to keep price to dairy farmers from going below January level during February and March. Federal marketing order covers Ashland, Ky., Huntington and Parkersburg, W.Va., Marietta, Ironton, and Gallipolis, Ohio, and Athens and Scioto counties in Ohio. Action to prevent drop in price received by farmers was taken to encourage adequate milk production in the area.

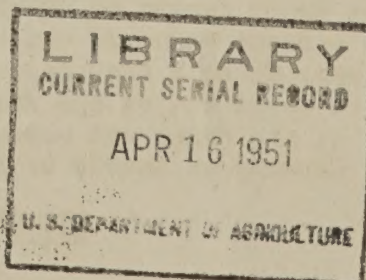
* * *

School children and welfare clients over the U.S. received 358 million pounds of food from Commodity Credit Corporation during 1950. In addition, 204 million pounds was donated to private relief agencies for distribution overseas. Potatoes made up 283 million pounds of food used at home; 12 million pounds of dried skim milk, 5.7 million pounds of dried eggs, 36 million pounds of butter and 20 million pounds of cheese. Overseas shipments included 113 million pounds of dried skim milk, 30 million pounds of dried eggs, 37 million pounds of butter, 8 million pounds of cheese, and 14 million pounds of potatoes. Cheese, butter, dried eggs, and dried milk no longer are available for overseas welfare; dried eggs and milk are available for domestic distribution. Commodities were accumulated by CCC as part of its price support operations.

* * *

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 February 7, 1951

FOOD MARKETING NEWSLETTER

Bureau of Agricultural Economics has revised its list of legal minimum prices indicating lowest points at which ceilings on farm products may be placed. Supplement to monthly report, "Agricultural Prices" lists legal minimum prices, shows how they were arrived at, and gives average prices received by farmers, January 15 this year, or seasonal average prices (*). Some of principal Midwest products are listed below:

Commodity	Jan. 15 Legal Minimum (Dol.)	Jan. 15 Average Farm Price (Dol.)
Wheat, bu.	2.35	2.09
Corn, bu.	1.71	1.54
Potatoes, bu.	1.76	.986
Butterfat, lb.	.740	.676
Milk, wholesale, cwt.	4.62	4.40
Wool, lb.	.562	.980
Beans, dry edible, cwt.	8.92	7.69
Flaxseed, bu.	4.54	4.25
Oats, bu.	.954	.882
Rye, bu.	1.73	1.48
Sorghums for grain, /	2.90	2.10
Soybeans, bu.	3.06	2.90
Apples, bu.	2.77	2.17 (*)
Peaches (fresh), bu.	3.12	2.60 (*)
Beef cattle, cwt.	23.80	27.00
Chickens, lb.	.302	.243
Eggs, doz.	.515	.422
Hogs, cwt.	20.60	20.00
Lambs, cwt.	26.40	30.00
Sheep, cwt.	12.00	15.20
Turkeys, lb.	.386	.339
Veal calves, cwt.	28.30	30.80

* * *

Acreage "guides" for principal farm products have been announced by the U. S. Department of Agriculture, to get maximum production, with greatest increases in acreage for corn, wheat, and cotton. "Guides" are not compulsory.

Commodity	1950 Acreage	1951 Guide
Cotton (upland)	18,551,000	28,400,000
Cotton (American Egyptian)	103,500	135,000
Corn	84,370,000	90,000,000
Oats	46,642,000	43,500,000
Barley	13,235,000	13,235,000
Sorghums for grain	10,361,000	7,150,000
Wheat (spring seeded only)	18,509,000	21,400,000
Soybeans for beans	13,291,000	13,000,000
Flaxseed	4,064,000	4,000,000
Dry edible beans	1,632,000	1,632,000
Rice	1,620,000	1,900,000

National figures will be divided into recommended state totals, and then into county totals, but will not be broken down to level of individual farms. Guides for livestock, dairy, poultry, fruits, vegetables and seeds are expected soon. Peanuts and tobacco are only crops still under acreage allotment for 1951.

* * *

Prices paid by farmers, including wages, interest, and taxes reached highest level in history, according to January 15 report of BAE. Index of prices paid reached 272 (1910-14 as 100) compared with 265 month earlier. Prices received by farmers went from index of 286 to 300, 6 points below record. Parity ratio increased from 108 to 110. Cotton, cottonseed, wool, soybeans, cattle, calves and lambs brought prices above parity, as of January 15. Virtually all other farm products were selling below parity.

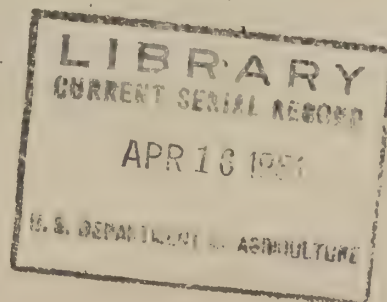
* * *

New record price for commercially fed beef cattle on Chicago market, February 6: 35 head sold at \$42 per cwt. Only show cattle ever sold higher.

* * *

Sugar distribution during week ended January 27 was 151,274 tons compared with 120,832 tons during comparable week year ago.

* * *



Expansion of home gardening and food preservation has been announced by Secretary of Agriculture. Extension services, national, state, and county will take lead. County agent (or farm adviser) will be local spearhead. Expanded program was recommended by advisory committee including editors, educators, garden club officials, commercial vegetable growers, canners, and seedmen. Believe national health can be improved through making more vegetables available for more people.

* * *

PMA has invited bids for the purchase of 12 million pounds of lard, refined or unrefined, for shipment to Yugoslavia. Bids will be received until midnight February 12.

PMA also has bought 30 million bushels of 80 per cent extraction flour equivalent of 652,519 bushels of wheat, for shipment to Yugoslavia and Trieste. About two-thirds is under Emergency Relief for Yugoslavia, and remainder is part of ECA requisition for Italy.

* * *

PMA announced a reduced list of commodities available for sale at home and for export during month of February, together with quantities and prices. Compared with January, gum rosin, potato starch, and pink beans were dropped from domestic list; wheat, potato starch, and some types of dry beans from the export list.

Commodities available for domestic sale include: dried eggs, dried skim milk, raw linseed oil, beans, wheat, oats, barley, corn and seeds of Austrian winter peas, Blue Lupine, Kobe Lespedeza, and Weeping Lovegrass. Sales of wheat will be made only in emergency or when premium wheat is required.

Commodities for export sale include dried eggs, dried skim milk raw linseed oil, certain types of beans, potatoes, and Austrian winter pea seed.

* * *

Production and Marketing Administration has announced program to encourage farmers in Southwest to plant castor beans this year. Plans involve 30,000 acres of irrigated land in California, Arizona, and Oklahoma, and 60,000 acres of dry land in Oklahoma and Texas. Expected production, 78 million pounds of castor beans, yielding 34 million pounds of oil for defense. PMA would guarantee minimum of 10 cents a pound for beans, and provide some special equipment.

* * *

Sales under International Wheat Agreement January 24-30 totaled 10,374,000 bushels. Principal buyers were Austria, United Kingdom, Netherlands, Italy, and India. Quotas are closed for following countries: Bolivia, Ecuador, El Salvador, Haiti, Indonesia, Nicaragua, Portuguese India and Portuguese Guinea, Switzerland, United Kingdom territories of Anglo-Egyptian Sudan, Anglo-Iranian Oil Company, British Somaliland, Sarawak, Northern and Southern Rhodesia.

* * *

USDA has authorized slightly higher prices of milk for farmers in three areas governed by Federal milk marketing orders; Columbus and Toledo, Ohio, and Tri-State area covering junction of Kentucky, Ohio, and West Virginia. Increases granted in recognition of increased cost of production, and danger of reduced supply of milk if price should go down in accordance with seasonal schedule.

* * *

Dairy farmers rejected proposals for Federal orders regulating marketing of milk in Southern Illinois and Suburban St. Louis areas; USDA announced no such orders will be issued.

* * *

No general shortages of fats and oils, no apparent need now for fat salvage campaign, PMA Administrator Ralph Trigg told soap and glycerine manufacturers last week. Increased production of soybeans, lard and linseed oil in last 10 years has changed U.S. from net importer to net exporter of fats and oils. Tung oil and a few other speciality oils represent only shortages.

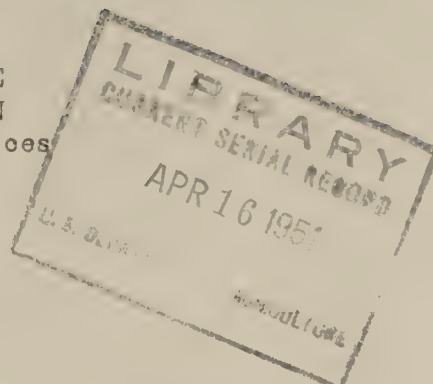
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FOOD MARKETING NEWSLETTER

Food is a better bargain for the average consumer today than in the pre-war years, Secretary of Agriculture Brannan said last week. A typical diet that took 23 per cent of average family's disposable income in 1935-39 period now can be bought for only 19 per cent.

Farm prices have risen 21 per cent since Korean outbreak, compared with 138 per cent for tin, 78 per cent for aluminum, 50 per cent for lead, 27 per cent for chemicals, 32 per cent for textiles.

This increase in farm prices is recovery from continuous drop which took place over 1948, '49, and first half of '50; farm income dropped from \$18 billion in '47 to \$13 billion in '50; same time, corporate earnings after taxes went from \$18.5 billion to \$21.5 billion, and average factory wages increased from \$1.24 to \$1.46 per hour.

Most farm prices now are below parity, legal measure of fair relationship between prices received and prices paid by farmers. Prices paid by farmers in mid-January reached new high level.

Prices of many farm products have little influence on prices of final products. Examples: cotton grower gets about 30 cents for cotton in a \$4.00 shirt; tomato grower gets about 3 cents out of 16 cent can of tomatoes; wheat grower gets less than 3 cents out of 16 cent loaf of bread.

Farmer now receives less (51 cents) out of consumer's food dollar than in 1945-46. (54 and 53 cents)

Prices of many manufactured products have risen because of scarcity, as production switched over to military goods; but agricultural commodities are available in abundance, with prices forced upward by increased consumer incomes.

* * *

Seventeen industry advisory committees to consult with USDA on food distribution and related problems. Committees, with membership to be announced in near future, will be named from following industries: grain handling, wheat flour milling, breakfast cereal processing, baking, fruit and vegetable canning, oilseed crushing, edible oil refining, margarine processing, mayonnaise and salad oil manufacturing, grocery wholesaling, food retailing, public feeding, fertilizer manufacturing, dry beans and peas, rice, seeds, and dairy.

* * *

World food production in 1950-51 is about 2 per cent above previous year, 4 per cent above 1935-39 average, but has not quite caught up with increase in world population. Per capita food consumption has increased since the war; in some countries it is ahead of pre-war. United States and rest of Americas generally well supplied. Cutting off meat exports from Argentina to Britain has seriously reduced Britain's meat ration and hurt Argentina's economy. Serious food shortage in Yugoslavia. Russia expected to export 1.7 million tons of grain, compared with 1.5 million previous year. India has most critical food shortage in Far East because of drought in rice areas.

Compared with 1949-50, world has more wheat, rye, rice, fats and oils, sugar, livestock, milk, eggs, fruit, potatoes; less corn. Problems of manpower, dollar exchange, defense preparations, transportation and political unrest contribute to difficulties of distribution.

* * *

Poultry canned in U. S. last year was highest on record, approximately 152 million pounds, compared with 128 million year earlier and 146 million in 1948. Amount of poultry certified by Federal inspection for use in both canning and for evisceration (for retail sale as dressed poultry) increased by 44 per cent over previous high. The 1950 total - 483 million pounds.

* * *

Wisconsin dairy farmer fined \$500 on charges dating back to 1944, when government was paying subsidy to dairy farmers as means of keeping up production and holding down price to consumer. In Federal court in Milwaukee, Joseph Garvey, Kaukauna, admitted exaggerating amount of milk he produced, in order to get greater subsidy.

* * *

USDA has charged 15 Chicago livestock dealers with bribing weighmen in stock yards to give them favorable weights on animals sold to packers. Dealers have been notified individually and are permitted to present defense in writing; probably to be followed by hearing conducted by representative of Secretary of Agriculture. Action taken under Packers and Stockyards Act; penalty may be suspension from trading. USDA officials credited stockyards with complete cooperation in investigation.

* * *

Acreage "guides" for vegetable and melon crops for 1951 have been announced. "Guides" are voluntary, and indicate estimated national needs balanced with best use of land. Compared to 1950, proposals call for 22 per cent increase in acreage of vegetables for canning, with increases of 40 per cent in sweet corn and 35 per cent in tomatoes; 4 per cent increase in acreage of fresh vegetables, both summer and fall; 5 per cent cut in watermelons; same acreage for cantaloups and for sweet potatoes.

* * *

USDA wants to buy:

1. Any amount of extra-long staple cotton from outside U. S., to build up national stockpile. Importers invited to submit offers to Cotton Branch, Production and Marketing Administration, USDA, Washington.
2. Lard, 1,300,000 pounds, refined or unrefined, for shipment to Okinawa. Contact: Livestock Branch, PMA, USDA, Washington.

USDA has bought:

33,160,000 pounds of de-germed cornmeal for shipment to Yugoslavia, under emergency relief assistance. Offerings totaled 9 million pounds more than requirements.

* * *

Meat production under Federal inspection during week ended February 10 dropped to 282 million pounds, 3 per cent below previous week and similar drop from year ago. Cattle slaughter was up 5 per cent from previous week, but hog slaughter was 10 per cent below. Rail tieup, cold weather, bad roads all contributed to smaller numbers of animals sent to market.

* * *

U. S. Standards for canned sweet potatoes are being revised, to include proposals on color, recommended names of sirups, and weight variations. Proposed revisions have been recommended by industry and USDA. Opinions may be submitted until March 10 to the Fruit and Vegetable Branch, PMA, USDA.

Also under consideration: new standards for orange marmalade. Opinions accepted until March 11.

* * *

Nation's 11,600 locker plants contain about 80 million cubic feet of storage, about half the amount available in commercial sharp-freeze space in U.S. Facts revealed by study made by Farm Credit Administration of USDA. Plants processed over 1-1/3 billion pounds of perishable food in 1949. About 4.4 million out of total of 5.6 million locker boxes actually in use on January 1, 1950. Use of lockers reduces burden on transportation, saves materials such as tin, steel, aluminum.

* * *

Public hearing on quarantine against imports of wheat to be held in Washington, March 30. Wheat imports now prohibited from 7 countries because of flag smut; proposed to extend ban to 16 other countries.

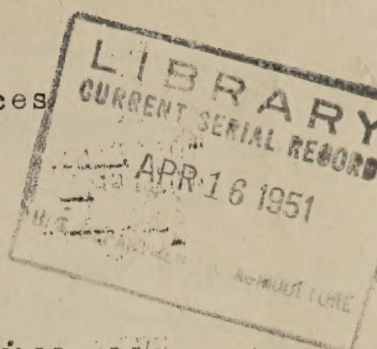
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February 21, 1951



FOOD MARKETING NEWSLETTER

To encourage increased production by U.S. farmers to fill all possible needs of the current emergency, USDA has announced price support programs for 1951 crop corn, oats, rye, barley, grain sorghums, soybeans, and dry beans. The next corn crop will have a minimum price support level of not less than \$1.54 a bushel on a national average, based on the corn parity price as of January 15, 1951. If the parity is higher at the beginning of the 1951 crop marketing season next October 1, the support level will be increased to reflect 90 percent of the parity at that time.

The support level for oats will be at 75 percent of oats parity with a national average support of 72¢ a bushel; rye, 75 percent, with a national average of \$1.30 a bushel; barley, 75 percent, with a national average of \$1.11; grain sorghums, 65 percent, with a national average of \$1.88 per cwt. The average dollars and cents supports for the 1951 crops of the above grains are based on January 15, 1951 parity but, will not be changed to reflect any possible increase in the parity price between now and the beginning of their marketing season.

The minimum 1951 support price for corn reflects a 7¢ increase from the 1950 average of \$1.47, and is expected to be somewhat higher by October 1. The 90 percent level will be ineffect in all areas in 1951. Last year the support level of 90 percent was in effect only in the commercial areas, where acreage allotments were in effect and, was only 75 percent of the commercial area rate in non-commercial areas (no acreage allotments).

The 1951 crop soybeans will be supported at 75 percent of January 15 parity, and a national average of \$2.45 a bushel. This compares with \$2.06 a bushel on the 1950 crop--based on 80 percent of September 1, 1950 parity. The dry bean support level was established at 75 percent of January 15 parity and a national average of \$6.69 per cwt., thresher run basis--39¢ per cwt. higher than in 1950.

The supports for the above commodities will be carried out through loans and purchase agreements.

A 4 percent increase in the numbers of livestock and poultry on farms and ranches during 1950 was reported by USDA February 15. The January 1 livestock population is still 13 percent below the January 1, 1944 peak. Cattle numbers increased by 4 million to 84,179,000; hogs by 4.5 million to 65 million; all sheep by 800,000 to 31,505,000. The increase in sheep was the first after 8 years of decline and the all-time low of January 1, 1950. Chicken numbers were down 14 million to 467 million, while turkeys were about the same.

USDA estimates the total value of all cattle, hogs and sheep on farms January 1, 1950 at \$16,431,152,000--up about \$4.4 billion from a year earlier.

Sales under the International Wheat Agreement in the week ended February 13, confirmed by CCC, totaled 36,483,000 bushels of wheat (and flour in wheat equivalent). Principal buyers were Italy, Germany, Greece, and India. Cumulative sales to February 13 against 1950-51 quotas are 208,027,000 bushels.

USDA announced February 13 that, until further notice, export rates will not be announced for wheat grain sales under IWA. The rates currently being announced are applicable only to flour, on a bushel of wheat equivalent basis.

USDA will discontinue its program of government-guaranteed occupancy of newly constructed storage space, effective February 28, 1951. Reasons: (1) An easing of the need for additional grain storage facilities, and (2) the fact that the Defense Production Act of 1950 provides for loans for expansion of productive capacity, and the Revenue Act of 1950 provides amortization for tax purposes over a 60-month period for qualified construction certified as necessary in the interest of national defense.

Supply of nitrogen for fertilizer purposes in the 12 months ending June 30, 1951 is estimated at 1,250,000 tons, (N) content basis. This compares with 1,030,000 tons, same basis, in 1949-50, and 1,005,000 tons in 1948-49.

Potash supplies in 1950-51, including imports, will be about 1,300,000 tons, (K₂) content, compared with 1,125,000 tons in 1949-50, and 1,070,000 tons a year earlier. The nitrogen and potash supply for fertilizer this year exceeds all previous records,

Domestic supplies of phosphatic fertilizers, including imports, for 1950-51, will total about 1,921,000 tons, (P₂O₅) basis, compared with 2,060,000 tons a year earlier and 1,910,000 tons in 1948-49. BAE estimates that in the year ending June 30, 1950 U.S. farmers used approximately 1 million tons of nitrogen, 1.9 million tons of phosphate, and 1.1 million tons of potash. Supplies of the three plant foods in prospect for 1950-51 are about 12 percent greater than last year's consumption.

* * * *

Proposals to change the standards for grades of lamb, yearling mutton, and mutton carcasses and for grades of slaughter (live) lamb and sheep were announced February 19 by USDA. Comments on the proposals should be received in Washington not later than March 22, 1951.

The proposals would change carcass grade standards to combine the current Prime and Choice grades under the name "Prime," redesignate the present Good grade as "Choice", rename the upper two-thirds of the Commercial grade as "Good", the lower one-third of the Commercial grade and the upper two-thirds of the Utility grade, "Utility"; and the balance of the Utility grade combined with the Cull grade would be termed "Cull".

The proposals would reduce the number of grades from six to five. The "Prime" grade would be limited to the lamb and yearling mutton carcasses. The top grade for mutton carcasses would be "Choice". The changes in slaughter (live) grade standards would bring them into line with the proposed carcass grade standards.

* * * *

An all-time record production of baby chicks during January 1951, is reported by BAE. The seven principal broiler producing areas placed 33,890,000 baby chicks during the month--an increase of 26 percent over January 1950. The major share of the February hatch which, the USDA reports, will be substantially larger than a year ago, is also destined for broiler production.

* * * *

USDA is analyzing the supply and demand outlook for burley and flue-cured tobacco, to determine whether the 1951 national marketing quotas of 542 million pounds for burley, and 1,235 million pounds for flue-cured tobacco, announced November 28, 1950, should be increased- and the amount of the increases, if necessary. Current legislation permits the Secretary of Agriculture to increase the amount of the national marketing quotas not later than March 1, by not more than 20 percent, if he deems such an increase necessary.

* * * *

Sugar distribution by primary distributors in the continental U.S. for civilian and military use, from Jan. 1 through Feb. 10, 1951 amounted to 863,792 tons. This compares with 706,271 tons distributed in the same 1950 period.

* * * *

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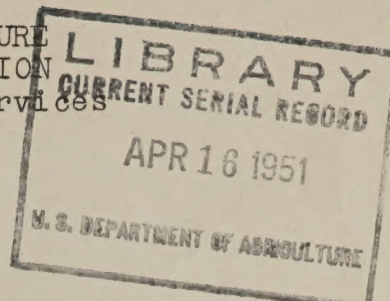
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February 28, 1951



FOOD MARKETING NEWSLETTER

U.S. wool production in 1950 amounted to 252.5 million pounds, slightly above 1949's 252.4 million, but far below 1939-48 average of 393.4 million pounds. The 1950 output included 220.1 million pounds of shorn wool--balance pulled. Average prices received by growers for shorn was 57.3 cents, compared with 49.4 cents in 1949 and a ten year average of 38.5 cents. The pulled wool output last year--32,400,000 pounds, reflected a 3.2 million pound decline from 1949 and was the lowest on record due to low sheep and lamb slaughter.

The United States was both a large exporter and importer of fats, oils, and oilseeds in 1950. Oil equivalent of the exports amounted to 1,999,544,000 pounds, while imports represented an oil equivalent of 1,307,098,000 pounds. Copra, castor beans and oil, coconut oil, and tung oil led the imports in the order named. Biggest exports were 469 million pounds of inedible tallow, 466 million of lard, and 300 million pounds of crude and refined soybean oil. About 19 million bushels of soybeans were also exported. Tables listing the quantities of the major imports and exports of these commodities are carried in the February 26 issue of Foreign Crops and Markets.

Lists and prices of CCC-owned commodities available for export or domestic sale during March show little change from the February offerings. Linseed oil is not available on the March export list. The domestic price list is unchanged except for a drop in the wheat offered to 5 million from 50 million bushels in February. Prices of oats, barley, and corn are 1 cent higher, reflecting an increase in the differential between the local or applicable loan rate and the terminal market. The wheat price is unchanged.

Maturity date on CCC-price support loans on 1950-crop wheat, oats, grain sorghums, barley and rye won't be extended beyond the announced maturity date--March 31 for grain sorghums, and April 30, 1951 for the others. Postponement of the due dates might tend to impede the normal movement of grain to port, and with the transportation situation already tight, it is necessary that grain scheduled for export be moved as quickly as possible, PMA states. Producers will be fully protected on loans not liquidated prior to maturity.

Exports of grain and grain products from the U.S., July 1, 1950 through January 31, 1951, totaled 269,302,000 bushels (grain equivalent). This compares with 323,585,000 in the like 1949-50 period. Of the total, 38 percent went to ECA countries, 27 percent to Germany and U.S. Pacific occupied areas, 23 percent to Brazil, Canada, India, and Mexico, and the balance to other cash paying countries.

Fred L. Shipley has been appointed administrator of the new federal order regulating the marketing of milk in Springfield, Missouri milk marketing area. He takes office March 1, effective date of the new order. Shipley also administers federal orders in St. Louis, Missouri, and Paducah, Kentucky.

Federally inspected meat production in the holiday week ended February 24 amounted to 272 million pounds. Output was down 6 percent from the preceding week and 1 percent below the same 1950 week. Included were: Beef, 111 million pounds; veal, 9.0 million; pork, 144 million; lamb and mutton, 7.4 million. Lard production was 36.3 million pounds.

Sales under the International Wheat Agreement in the week ended February 20, confirmed by CCC, amounted to 791,000 bushels wheat equivalent, of flour. No grain wheat sales were confirmed. This brings cumulative sales against 1950-51 quotas to 208,735,000 bushels and leaves the balance of the U.S. quota still unfilled at 39,429,000 bushels.

About 461,000 head of cattle were imported by the U.S. from Canada in 1950. The total included 22,610 for breeding purposes, and compares with 433,458 in 1949, according to Foreign Crops and Markets.

- 2 -

Domestic mill consumption of cotton in the first 6 months of the current season--August 1950-January 1951--amounted to 5,504,000 bales. This compares with 4,333,000 for the same period a year earlier. Consumption per working day in January was 42,500 bales. Mill stocks amounted to 2,253,000 bales on February 3, reflecting an increase for the sixth consecutive month, and compared with 1,999,000 bales a month earlier.

Rayon production in 1950 totaled 1,259.4 million pounds, according to the Textile Economics Bureau. This is the second time in the history of the industry that annual production exceeded a billion pounds.

U.S. exporters have shipped these fresh and processed fruits and honey from 1950 production under current USDA export subsidy programs, through February 17: Apples, 1,591,580 boxes; fresh pears, 351,607 boxes; oranges, 186,295 boxes; grapefruit, 89,087 boxes; single strength orange juice, 76,525 cases (No.2's); single strength grapefruit juice, 81,054 cases; single strength blended juice, 10,905 cases; grapefruit sections, 7,282 cases; concentrated orange juice, 773,991 gallons; concentrated grapefruit juice, 32,718 gallons; honey, 11,954,973 pounds.

Stocks of merchantable potatoes on February 1, held by growers and local dealers in or near areas of production, amounted to 125,740,000 bushels--2 percent larger than February 1, 1950. The stocks do not include potatoes held for use as food, seed, or livestock feed on farms where grown, and those purchased by the government for price support, but resold to the grower. USDA has purchased 58,806,276 bushels of the 1950 crop to carry out price support commitments through the week ended February 23--more than twice the amount bought for price support in the same 1949-50 period.

CCC is buying approximately 7 million pounds of lard for shipment from east or gulf ports to Yugoslavia. Earlier in February the Department bought 6.5 million pounds of lard, partly for Yugoslavia and the balance for Okinawa. The current purchase is being made at the request of the Department of State.

Honey production in the U.S. in 1950 totaled 233,013,000 pounds--about 6.5 million pounds more than in 1949. The honey was produced by 5,612,000 colonies of bees, with an average output of 41.5 pounds per colony. About 62 percent of the total was produced in five states, with Minnesota leading with an output of 23,375,000 pounds; California was a close second with 22,550,000 pounds. The value of the honey crop is estimated at \$35,678,000. Beeswax production was 4,275,000 pounds valued at \$1,830,000.

Honey stocks are now at a high level, and the Department of Agriculture has featured it as a plentiful food since January 1.

Cattle on U.S. farms January 1 numbered 84.2 million head--4.2 million more than a year earlier. The increase was mostly in numbers kept for beef. Five percent more cattle and calves were on feed January 1 than a year earlier.

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